



Ancillary Document Review Supplement
(This form must be filled out electronically.)

This form is to be used when reviewing interpretive and/or policy statement(s) in conjunction with the review of a rule.

Interpretive and/or policy statements are issued by the Department of Revenue under authority of RCW 34.05.230. These statements explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. These statements include documents such as Excise Tax Advisories (ETAs), Property Tax Advisories (PTAs), and Interim Audit Guidelines (IAGs).

All responses should be in **bold** format.

Interpretive or policy statement(s) being reviewed (provide number and title):

ETA 270.04.194 (Interest Income Derived from the Extension of Credit to a Party in Another State by a Washington Taxpayer with Business Situs in Both States)

Date issued: **July 31, 1974**

Reviewer: **Diane Bren**

Date reviewed: **March 8, 2004**

This review is in conjunction with the review of the following rule(s) (provide WAC number(s) and title(s)): **WAC 458-20-194 (Doing business inside and outside the state).**

Briefly explain the subject matter of the document(s): **Explains that apportionment of interest income that is derived from the extension of credit to a party in another state by a Washington taxpayer with business situs in both states is applicable only if each business situs contributes to the production of the income. If the Washington business situs does not contribute to the income producing service, Washington may not tax any of the income. If the out-of-state business situs does not contribute to the income producing service, Washington may tax all of the income.**

Type an "X" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

| YES | NO | |
|-----|----|---|
| X | | Is the document written and organized in a clear and concise manner? |
| X | | Are citations to other rules, laws, or other authority accurate? (If no, identify the incorrect citation below and provide the correct citation.) |
| X | | Does the document provide information not currently in a rule, other interpretive or policy statement, or WTD? |
| X | | Is the document providing the result(s) that it was originally designed to achieve? |

If the answer is "no" to any of the questions above, provide a brief explanation for that response.



Review Recommendation:

- ☐ **Amend**
- ☐ **Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- ☐ **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- ☒ **Incorporate into rule and repeal**

Briefly explain your recommendation:

This information should be incorporated in Rule 194 when that rule is next revised.

Manager action: Date: April 30, 2004

AL Reviewed and accepted recommendation